



Evolve
Capital Partners

QUARTERLY DEALS & MARKET UPDATE

Bank Technology

January 2021



Credit Scoring / Analysis



Software Solutions / Services



Mortgage / Real Estate Tech



Core Processing

Overview of Evolve Capital Partners

ABOUT EVOLVE CAPITAL PARTNERS

- Evolve Capital Partners (Evolve) is a specialized investment bank focused on businesses serving industries at the intersection of finance and technology.
- We are dedicated investment bankers focused on evolving industries, and we support sustainable growth through transformational M&A / financing transactions.
- Evolve is a dedicated, creative, and fully independent investment bank that advises private and public companies on merger, divestiture and acquisition transactions, and capital raising through private placements.
- We also provide structured financial advisory services — our investment banking practice provides a comprehensive suite of solutions to businesses.
- With over 35 engagements executed by its leaders, Evolve has served as a proud partner, bringing renewed value to companies at the intersection of finance and technology.
- Founded in 2012 and based in New York, NY.

HIGH-TOUCH INVESTMENT BANKING

Few investment banks have transaction experience across both corporate and asset finance.



Our Clients

- Corporations
- Management Teams
- VC & PE Backed Companies
- Independent Directors / Boards



Investment Banking Advisory

- M&A
- Strategic Alliances
- Capital Raises and Asset Finance
- Financial Restructuring



Industry Focus

Finance and Technology Firms

Securities

Financial Services

Financial Management

Specialty Finance

Enterprise Software

Analytics

Payments

Lending

Insurance

BPO

Healthcare Tech

Bank Technology

We Focus Exclusively on Finance and Technology-Related Firms

Securities

J.P.Morgan **SS&C** **Broadridge**

Charles Schwab **TIGER BROTHERS** **CME Group**

InteractiveBrokers

Payments

Square **MoneyGram**

shopify **VISA**

PayPal **lightspeed**

Insurance

AON **radian** **goosehead INSURANCE**

AIG **GUIDEWIRE**

SELECTQUOTE

BPO

Crawford **accenture**

GENPACT **cpsi**

Capgemini **EXL**

Evolve
Capital Partners

Capabilities

M&A Advisory

Sales / Recaps

Acquisitions

Divestiture

Strategic Advisory

Financing

Private Placements

Debt Capital

Restructuring

Specialty Finance / Alternative Lending

LendingClub **afterpay**

synchrony FINANCIAL **E/evate** **velocity FINANCIAL**

Enterprise Software / SaaS

RELX **cloudera**

dun & bradstreet

SAP **salesforce** **zoom**

Bank Technology

ROCKET Companies **FIDELITY NATIONAL FINANCIAL** **TransUnion**

Q2 **FIS** **REDFIN**

Grow Beyond

Healthcare Tech

athenahealth **Cerner**

R1 **CHANGE HEALTHCARE**

TELADOC **Craneware**

Financial Management Solutions

ADP **SAP** **DocuSign**

PAYCHEX **intuit** **coupa**

Market Summary and Key Multiples

Industry Stock Market Performance of Evolve Sector Coverage

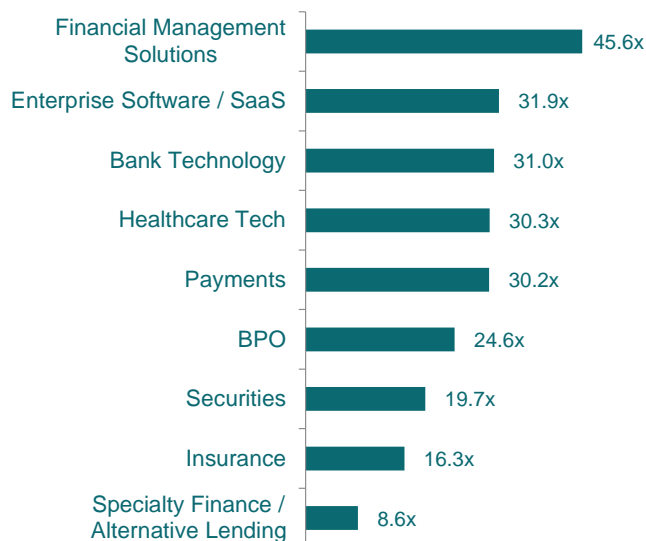
Indexed Price Performance *

Sector	3 Months	1 Year	3 Years
Bank Technology	12.8%	37.7%	74.0%
BPO	21.3%	19.7%	67.6%
Enterprise Software / SaaS	31.0%	107.4%	145.2%
Financial Management Solutions	24.7%	66.3%	134.5%
Healthcare Tech	22.6%	44.7%	74.3%
Insurance	21.1%	0.3%	16.0%
Payments	28.8%	49.6%	112.5%
Securities	24.3%	11.4%	14.6%
Specialty Finance / Alternative Lending	32.2%	19.2%	72.8%

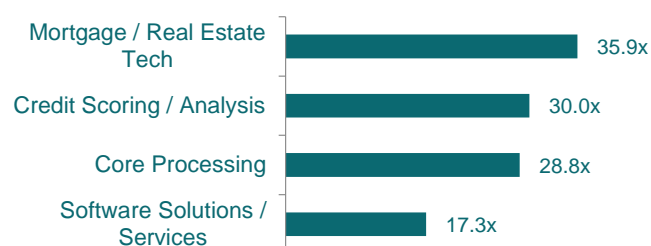
* Equal weighting method.

Industry-wide Multiples and Subsector Multiples

Sector 2022E Price / Earnings Multiples



Bank Technology / Solutions 2022E Price / Earnings Multiples



Data as of January 1, 2021
Source: Pitchbook

Stock Comparables – Bank Technology Sub-Sectors

(All figures in millions of USD, except per share data. Data as of January 1, 2021)

Core Processing

	Stock Price	% of 52-Wk. High	Market Value	Enterprise Value	LTM		Growth Rates:			LTM Margins:		EV / Revenue			EV / EBITDA		
					Revenue	EBITDA	Revenue:		Earnings	Gross	EBITDA	LTM	CY 2021	CY 2022	LTM	CY 2021	CY 2022
							CY 2021	CY 2022									
Fidelity National Information Services	\$141.46	89.4%	\$87,777	\$106,154	\$12,578	\$4,044	8%	8%	NA	35%	32%	8.4x	7.7x	7.2x	26.2x	17.1x	15.3x
Fiserv	\$113.86	91.1%	\$76,129	\$97,448	\$15,065	\$5,067	8%	7%	(15%)	46%	34%	6.5x	6.4x	6.0x	19.2x	15.1x	13.8x
Jack Henry and Associates	\$161.99	80.6%	\$12,362	\$12,167	\$1,711	\$553	6%	7%	9%	40%	32%	7.1x	6.6x	6.2x	22.0x	21.0x	19.0x
Temenos	\$139.84	79.9%	\$10,076	\$11,077	\$915	\$393	11%	9%	3%	78%	43%	12.1x	11.1x	10.3x	28.2x	25.2x	22.9x
Q2 Holdings	\$126.53	96.9%	\$6,818	\$6,904	\$381	(\$52)	21%	22%	NA	45%	(14%)	18.1x	14.1x	11.6x	NMF	NMF	NMF
Oracle Financial Services Software	\$44.24	96.2%	\$3,807	\$3,248	\$673	\$312	9%	11%	8%	NA	46%	4.8x	4.3x	3.9x	10.4x	NA	NA
Bottomline Technologies	\$52.74	92.2%	\$2,379	\$2,383	\$446	\$49	10%	13%	NA	58%	11%	5.3x	4.8x	4.3x	48.4x	22.2x	19.3x
Computer Services	\$59.40	93.5%	\$1,641	\$1,572	\$288	\$96	NA	NA	19%	NA	33%	5.5x	NA	NA	16.4x	NA	NA
Intellect Design Arena	\$4.23	94.3%	\$561	\$491	\$189	\$31	11%	13%	144%	45%	16%	2.6x	2.3x	2.0x	15.8x	NA	NA
Silverlake Axis	\$0.20	63.5%	\$516	\$357	\$158	\$66	6%	7%	(40%)	59%	42%	2.3x	2.1x	1.9x	5.4x	4.9x	4.6x
Crealogix Holding	\$133.45	100.0%	\$185	\$175	\$106	(\$5)	9%	NA	NA	76%	(5%)	1.7x	1.4x	NA	NMF	19.5x	NA
MEAN							10%	11%	18%	54%	25%	6.8x	6.1x	5.9x	21.3x	17.9x	15.8x
MEDIAN							9%	9%	8%	46%	32%	5.5x	5.6x	6.0x	19.2x	19.5x	17.2x

Credit Scoring / Analysis

	Stock Price	% of 52-Wk. High	Market Value	Enterprise Value	LTM		Growth Rates:			LTM Margins:		EV / Revenue			EV / EBITDA		
					Revenue	EBITDA	Revenue:		Earnings	Gross	EBITDA	LTM	CY 2021	CY 2022	LTM	CY 2021	CY 2022
							CY 2021	CY 2022									
Experian	\$37.85	89.9%	\$34,788	\$39,013	\$5,171	\$1,606	7%	8%	(5%)	NA	31%	7.5x	6.9x	6.4x	24.3x	20.3x	18.6x
Equifax	\$192.84	98.2%	\$23,458	\$26,337	\$3,915	\$1,115	6%	6%	(7%)	58%	28%	6.7x	6.1x	5.7x	23.6x	18.0x	15.5x
TransUnion	\$99.22	96.5%	\$18,882	\$22,070	\$2,704	\$931	6%	8%	9%	67%	34%	8.2x	7.6x	7.1x	23.7x	19.4x	17.5x
Fair Isaac	\$511.04	96.3%	\$14,870	\$15,621	\$1,295	\$330	3%	NA	24%	72%	25%	12.1x	11.6x	NA	47.4x	32.1x	28.6x
CRISIL	\$26.14	91.5%	\$1,898	\$1,822	\$251	\$76	9%	4%	4%	45%	30%	7.3x	6.4x	6.2x	24.0x	NA	NA
Cerved Group	\$9.13	86.8%	\$1,717	\$2,436	\$569	\$275	6%	3%	(6%)	55%	48%	4.3x	3.9x	3.8x	8.9x	9.5x	9.2x
MEAN							6%	6%	3%	59%	33%	7.7x	7.1x	5.8x	25.3x	19.9x	17.9x
MEDIAN							6%	6%	(1%)	58%	31%	7.4x	6.7x	6.2x	23.9x	19.4x	17.5x

Mortgage / Real Estate Tech





	Stock Price	% of 52-Wk. High	Market Value	Enterprise Value	LTM		Growth Rates:			LTM Margins:		EV / Revenue			EV / EBITDA		
					Revenue	EBITDA	Revenue:		Earnings	Gross	EBITDA	LTM	CY 2021	CY 2022	LTM	CY 2021	CY 2022
							CY 2021	CY 2022									
Rocket Companies	\$20.22	58.7%	\$40,126	NA	\$12,825	NA	(34%)	(6%)	NA	NA	NA	NA	NA	NA	NA	NA	NA
CoStar Group	\$924.28	97.2%	\$36,433	\$33,713	\$1,589	\$442	15%	15%	31%	81%	28%	21.2x	17.8x	15.5x	76.3x	51.7x	41.0x
Zillow Group	\$135.94	91.0%	\$30,611	\$29,142	\$3,495	(\$33)	44%	51%	NA	41%	(1%)	8.3x	6.2x	4.1x	NMF	NMF	57.9x
Black Knight (US)	\$88.35	90.9%	\$13,874	\$16,724	\$1,197	\$535	16%	7%	30%	NA	45%	14.0x	11.7x	11.0x	31.2x	23.6x	21.9x
Fidelity National Financial	\$39.09	79.3%	\$11,480	\$13,776	\$9,370	\$1,601	4%	(2%)	16%	NA	17%	1.5x	1.4x	1.4x	8.6x	7.3x	NA
RealPage	\$87.24	97.8%	\$8,886	\$9,581	\$1,115	\$244	11%	10%	16%	56%	22%	8.6x	7.5x	6.8x	39.2x	26.4x	22.8x
Rightmove	\$8.87	96.3%	\$7,760	\$7,712	\$302	\$215	45%	9%	2%	NA	71%	25.5x	19.6x	18.0x	35.9x	25.8x	22.0x
Redfin	\$68.63	82.0%	\$7,024	\$6,805	\$875	(\$20)	35%	23%	NA	22%	(2%)	7.8x	5.8x	4.7x	NMF	NMF	52.7x
AppFolio	\$180.04	96.5%	\$6,180	\$6,306	\$305	\$231	13%	18%	206%	62%	76%	19.8x	17.2x	14.6x	26.2x	NMF	65.5x
CoreLogic	\$77.32	97.3%	\$6,014	\$7,401	\$1,849	\$544	3%	6%	34%	55%	29%	4.0x	4.6x	4.3x	13.6x	12.8x	12.6x
Stewart Title Guaranty Company	\$48.36	92.9%	\$1,292	\$1,141	\$2,062	\$160	3%	(4%)	22%	NA	8%	0.6x	0.5x	0.5x	7.1x	6.7x	NA
Real Matters	\$15.06	60.5%	\$1,288	\$1,170	\$456	\$66	(43%)	6%	NA	36%	14%	2.6x	5.2x	4.9x	17.8x	NA	NA
Fathom Realty	\$36.04	90.0%	\$498	\$467	\$155	(\$1)	27%	15%	NA	6%	(1%)	3.0x	2.1x	1.9x	NMF	NMF	NMF
Altisource Portfolio Solutions	\$12.88	64.8%	\$202	\$416	\$446	(\$3)	(25%)	NA	NA	11%	(1%)	0.9x	1.5x	NA	NMF	10.0x	NA
MEAN							8%	11%	45%	41%	23%	9.1x	7.8x	7.3x	28.4x	20.5x	37.0x
MEDIAN							12%	9%	26%	41%	17%	7.8x	5.8x	4.8x	26.2x	18.2x	31.9x

Software Solutions / Services

	Stock Price	% of 52-Wk. High	Market Value	Enterprise Value	LTM		Growth Rates:			LTM Margins:		EV / Revenue			EV / EBITDA		
					Revenue	EBITDA	Revenue:		Earnings	Gross	EBITDA	LTM	CY 2021	CY 2022	LTM	CY 2021	CY 2022
							CY 2021	CY 2022									
Walters Kluwer	\$84.94	91.3%	\$21,720	\$24,245	\$5,200	\$1,563	0%	3%	13%	70%	30%	4.7x	4.3x	4.1x	15.5x	14.0x	13.3x
Oneconnect	\$19.71	68.4%	\$7,687	\$7,355	\$429	(\$235)	54%	45%	NA	38%	(55%)	17.1x	9.7x	6.7x	NMF	NMF	NMF
nCino	\$72.41	69.7%	\$6,683	\$6,309	\$186	(\$31)	23%	19%	NA	56%	(17%)	33.9x	25.4x	21.4x	NMF	NMF	NA
Asseco Poland	\$17.60	83.8%	\$1,520	\$2,294	\$2,969	\$411	5%	6%	(10%)	21%	14%	0.8x	0.7x	0.7x	5.6x	5.6x	5.7x
Tyco Payments	\$2.45	78.6%	\$1,237	\$1,164	\$138	(\$17)	39%	26%	NA	43%	(12%)	8.4x	5.0x	4.0x	NMF	NMF	56.1x
Mitek Systems	\$17.78	89.4%	\$756	\$703	\$101	\$17	15%	NA	(23%)	87%	17%	6.9x	5.9x	NA	40.5x	21.1x	NA
Netsol Technologies	\$3.80	84.4%	\$44	\$40	\$55	\$8	16%	NA	NA	49%	15%	0.7x	0.6x	NA	4.7x	4.0x	NA
MEAN							22%	20%	(7%)	52%	(1%)	10.4x	7.4x	7.4x	16.6x	11.2x	25.0x
MEDIAN							16%	19%	(10%)	49%	14%	6.9x	5.0x	4.1x	10.5x	9.8x	13.3x

Source: Pitchbook

Key M&A Transaction Activity Summary

Date	Target	Acquirer(s)	Sector	Value (\$mm)	Transaction Comments
12/3/2020			Credit Scoring / Analysis	\$8,100	<ul style="list-style-type: none"> Credit Karma is a developer of financial education and recommendation platform intended to offer free credit scores and reports with monitoring. This acquisition allows Intuit to maintain its fee structures against a backdrop of fee elimination among other areas of financial services.
11/19/2020			Software Solutions / Services	\$2,750	<ul style="list-style-type: none"> Verafin is a developer of cloud-based fraud detection and anti-money laundering software. This acquisition combines Verafin's comprehensive suite of anti-financial crime management products with NASDAQ's reach.
11/2/2020			Software Solutions / Services	NA	<ul style="list-style-type: none"> TCI provides SaaS-based loan origination software designed for credit unions, banks and finance companies. This acquisition will provide new and exciting breakthroughs within LOS technology.
10/20/2020			Core Processing	\$2,240	<ul style="list-style-type: none"> Avalog is a developer of core banking software systems. This transaction will create new solutions that combine Avalog's software with NEC's cutting-edge technologies.
10/15/2020			Software Solutions / Services	\$41	<ul style="list-style-type: none"> RAD Informatica provides software for the management of the bank and financial credit recovery process. With this acquisition, Piteco strengthens itself in the financial software sector.
10/14/2020			Mortgage / Real Estate Tech	\$511	<ul style="list-style-type: none"> SNAP Financial provides turnkey and customized financing programs for homeowners and payment solutions. The Company's strong portfolio and extensive dealer network unlocks immediate scale-efficiency and value for Simply Group.







Source: Pitchbook and Media Reports

Key Financing Transaction Activity Summary

Date	Target	Sector	Amount (\$mm)	Type	Key Investor(s)
12/22/2020	 Qualia	Mortgage / Real Estate Tech	\$65	Series D	TIGERGLOBAL 8VC MENLO VENTURES
12/11/2020	 tink	Credit Scoring / Analysis	\$102	Series D	eurazeo dawn.
12/2/2020	 AMOUNT	Software Solutions / Services	\$81	Series C	Goldman Sachs
11/18/2020	 Current	Core Processing	\$131	Series C	TIGERGLOBAL
11/9/2020	 better.com	Mortgage / Real Estate Tech	\$200	Series D	L CATTERTON
10/15/2020	 chime	Software Solutions / Services	\$485	Series F	flourish DST GLOBAL TIGERGLOBAL

Source: Pitchbook and Media Reports

IPO Activity Summary

Company	IPO Date	Amount Raised (\$mm)	IPO Price	Current Market Price	Total Return
 PROPTech (SPAC) INVESTMENT	12/4/2020	\$200	\$10.00	\$10.63	6%
 ncino	7/14/2020	\$250	\$31.00	\$72.41	134%
 Silvergate	11/6/2019	\$40	\$12.00	\$74.31	519%
 OPORTUN	9/26/2019	\$94	\$15.00	\$19.37	29%
 360 金融 360 Finance	12/13/2018	\$51	\$16.50	\$11.79	(29%)
 PiNTEC	10/25/2018	\$44	\$11.88	\$0.98	(92%)
 cardlytics	2/9/2018	\$70	\$13.00	\$142.77	998%
 REDFIN	7/27/2017	\$138	\$15.00	\$68.63	358%
 Alfa [^]	5/26/2017	\$324	\$5.49	\$1.80	(67%)
 REAL MATTERS	5/10/2017	\$115	\$9.51	\$15.06	58%
 Piteco FINANCIAL SOFTWARE & CONSULTING	7/30/2015	\$11	\$3.61	\$11.54	220%
 TransUnion ^{tu}	6/24/2015	\$665	\$22.50	\$99.22	341%
 BLACK KNIGHT [™] FINANCIAL SERVICES	5/19/2015	\$441	\$24.50	\$88.35	261%
 synchrony FINANCIAL	7/30/2014	\$2,875	\$23.00	\$34.71	51%
 Cerved	6/24/2014	\$582	\$6.93	\$9.13	32%
 Q2 Grow Beyond	3/19/2014	\$101	\$13.00	\$126.53	873%
 PennyMac [®]	5/9/2013	\$200	\$18.00	\$65.62	265%
 Zillow [®]	7/19/2011	\$69	\$20.00	\$135.94	580%

Market data as of January 1, 2021
Source: Pitchbook

Select Wall Street Research Updates and Commentary



Update from Credit Suisse, December 2020

Jack Henry is among the highest quality of businesses in our coverage universe as a persistent share gainer over the last ~5+ years with the second-largest market share in the US bank IT market, an industry guarded by significant barriers to entry (e.g., 1-2% of customers switch core providers per year). **The company boasts a highly resilient financial model with ~85%+ recurring revenue from long-term contracts** (five to seven years, on average, for core account processing) that has consistently produced 6-8% non-GAAP organic revenue growth over the last five years with a positive \$200mm net cash position (no debt).



Update from Barclays, November 2020

1H results reinforced our view that Experian remains at the early stages of an elevated growth cycle, driven by expanding addressable markets and product innovation, across multiple geographies. Particularly impressive was the recovery in Consumer, with organic and margin outperformance contributing to a modest 1H beat. Free membership has grown to 96m, with lead gen revenues up materially despite a tougher lending backdrop. The structural growth drivers underpinning our investment thesis seem firmly intact and powerful enough to sustain the current premium rating.



Update from Barclays, November 2020

Wolters Kluwer's 9m20 growth was better than we expected. **The company continues to show impressive resilience.** Due to significant savings around travel and a freeze on hiring, margins continue to be comfortably ahead of 2019, with adjusted profit underlying growth of 17% of the 9 months. They expect a weaker Q4, but we still raise our FY20E group organic revenue growth to 1.5% from 1.0%. Wolters management generally increases margin every year. We assume they can improve this again in 2021.



Update from Citi, November 2020

Bottomline again delivered consistent results, highlighted by revenue and earnings outperformance. **Subscription bookings execution continued, with balanced new sales across the platform** - this included a large digital banking win and a good number of new AP automation customers. It provided an FY21 outlook for EBITDA of "at least" \$100 million as a baseline. **This suggests a high level of visibility in an uncertain environment and already includes product/growth investments.** A thoughtful framework to value creation was communicated, incorporating investor feedback (growth / innovation / TAM capture, EBITDA expansion, investor communication, buybacks). Additional subscription software & transaction metrics & innovation were also highlighted.



Update from Morgan Stanley, November 2020

The key messaging from Rainey was that we should expect to see an acceleration in new services and capabilities added to the various PayPal brands in coming quarters and years to take advantage of the accelerated pace of new accounts and activities seen in recent quarters. **We would expect that these new services will be a compelling mix of those that are being proven out by others** (e.g., Bitcoin-funded transactions, etc) and are readily adapted to PayPal's platforms (including Venmo, etc) and completely new services uniquely developed/acquired by PayPal (e.g., Honey).



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KEY SENIOR PROFESSIONAL

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Mr. Koles has over 17 years of financial advisory experience including advising middle-market and multinational firms on merger and acquisition strategies and execution, restructurings and capital raises. Prior to founding Evolve Capital Partners, he worked at a number of leading investment banks in leadership roles focused on restructuring transactions. He started his career at Merrill Lynch as an investment banker in the corporate finance group.

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